

2007—Subsec. (a)(2)(B). Pub. L. 110-172, §11(a)(24)(C), substituted “Section 1297(d)” for “Section 1297(e)”.

Subsec. (b)(7) to (9). Pub. L. 110-172, §11(f)(2), redesignated pars. (8) and (9) as (7) and (8), respectively, and struck out former par. (7) which read as follows: “Section 1246 shall not apply to earnings and profits of any company for any taxable year beginning after December 31, 1986, if such company is a passive foreign investment company for such taxable year.”

1998—Subsec. (a)(2)(B). Pub. L. 105-206 inserted at end “Section 1297(e) shall not apply in determining whether a corporation is a passive foreign investment company for purposes of this subparagraph.”

1997—Pub. L. 105-34, §1122(a), renumbered section 1297 of this title as this section.

Subsec. (b)(1). Pub. L. 105-34, §1122(e), inserted “(determined without regard to the preceding sentence)” after “investment company” in last sentence.

1996—Subsec. (b)(9). Pub. L. 104-188, §1501(b)(10), substituted “section 951(a)(1)(B)” for “subparagraph (B) or (C) of section 951(a)(1)”.

Subsec. (d)(2). Pub. L. 104-188, §1703(i)(5)(B), in heading substituted “Amount taken into account” for “Determination of adjusted basis”.

Subsec. (d)(2)(A). Pub. L. 104-188, §1703(i)(5)(A), substituted “The amount taken into account under section 1296(a)(2) with respect to any asset” for “The adjusted basis of any asset”.

Subsec. (d)(3)(B). Pub. L. 104-188, §1501(b)(11), struck out “or section 956A” after “this part”.

Subsec. (e). Pub. L. 104-188, §1703(i)(6), inserted “For purposes of this part—” after heading.

Subsec. (e)(2)(B)(ii). Pub. L. 104-188, §1501(b)(11), struck out “or section 956A” after “this part”.

1993—Subsec. (b)(9). Pub. L. 103-66, §13231(d)(2), added par. (9).

Subsecs. (d) to (f). Pub. L. 103-66, §13231(d)(4), added subsecs. (d) and (e) and redesignated former subsec. (d) as (f).

1989—Subsec. (b)(5). Pub. L. 101-239, §7811(i)(4)(A), substituted “where stock held” for “where held” in heading.

Subsec. (b)(5)(A). Pub. L. 101-239, §7811(i)(4)(C), substituted “treated as a disposition by, or distribution to” for “treated as a disposition to” in concluding provisions.

Subsec. (b)(5)(A)(ii). Pub. L. 101-239, §7811(i)(4)(B), substituted “any distribution of” for “any disposition of”.

1988—Subsec. (a)(4). Pub. L. 100-647, §1012(p)(10)(A), added par. (4). Former par. (4) redesignated (5).

Subsec. (a)(5). Pub. L. 100-647, §1012(p)(10), redesignated par. (4) as (5) and substituted “paragraph (2), (3), or (4)” for “paragraph (2) or (3)”.

Subsec. (b)(1). Pub. L. 100-647, §1012(p)(36), substituted “investment company which” for “investment corporation which”.

Subsec. (b)(3)(A). Pub. L. 100-647, §1012(p)(22), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: “such corporation (and any predecessor) was not a passive foreign investment corporation for any prior taxable year.”

Subsec. (b)(5). Pub. L. 100-647, §1012(p)(17), substituted “part where held” for “section where stock held” in heading, and amended text generally. Prior to amendment, text read as follows: “Under regulations, in any case in which a United States person is treated as holding stock in a passive foreign investment company by reason of subsection (a), any disposition by the United States person or the person holding such stock which results in the United States person being treated as no longer holding such stock, shall be treated as a disposition by the United States person with respect to stock in the passive foreign investment company.”

Subsec. (b)(6). Pub. L. 100-647, §1012(p)(20), substituted “Except as provided in regulations, if a” for “If a”.

Subsec. (b)(8). Pub. L. 100-647, §1012(p)(24), added par. (8).

Subsecs. (c), (d). Pub. L. 100-647, §1012(p)(35), added subsec. (c) and redesignated former subsec. (c) as (d).

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by section 11(f)(2) of Pub. L. 110-172 effective as if included in the provision of the American Jobs Creation Act of 2004, Pub. L. 108-357, to which such amendment relates, see section 11(f)(4) of Pub. L. 110-172, set out as a note under section 904 of this title.

EFFECTIVE DATE OF 1998 AMENDMENT

Amendment by Pub. L. 105-206 effective, except as otherwise provided, as if included in the provisions of the Taxpayer Relief Act of 1997, Pub. L. 105-34, to which such amendment relates, see section 6024 of Pub. L. 105-206, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1997 AMENDMENT

Amendment by Pub. L. 105-34 applicable to taxable years of United States persons beginning after Dec. 31, 1997, and to taxable years of foreign corporations ending with or within such taxable years of United States persons, see section 1124 of Pub. L. 105-34, set out as a note under section 532 of this title.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by section 1501(b)(10), (11) of Pub. L. 104-188 applicable to taxable years of foreign corporations beginning after Dec. 31, 1996, and to taxable years of United States shareholders within which or with which such taxable years of foreign corporations end, see section 1501(d) of Pub. L. 104-188, set out as a note under section 904 of this title.

Amendment by section 1703(i)(5), (6) of Pub. L. 104-188 effective as if included in the provision of the Revenue Reconciliation Act of 1993, Pub. L. 103-66, §§13001-13444, to which such amendment relates, see section 1703(o) of Pub. L. 104-188, set out as a note under section 39 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 applicable to taxable years of foreign corporations beginning after Sept. 30, 1993, and to taxable years of United States shareholders in which or with which such taxable years of foreign corporations end, see section 13231(e) of Pub. L. 103-66, set out as a note under section 951 of this title.

EFFECTIVE DATE OF 1989 AMENDMENT

Amendment by Pub. L. 101-239 effective, except as otherwise provided, as if included in the provision of the Technical and Miscellaneous Revenue Act of 1988, Pub. L. 100-647, to which such amendment relates, see section 7817 of Pub. L. 101-239, set out as a note under section 1 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100-647 effective, except as otherwise provided, as if included in the provision of the Tax Reform Act of 1986, Pub. L. 99-514, to which such amendment relates, see section 1019(a) of Pub. L. 100-647, set out as a note under section 1 of this title.

EFFECTIVE DATE

Section applicable to taxable years of foreign corporations beginning after Dec. 31, 1986, see section 1235(h) of Pub. L. 99-514, set out as a note under section 1291 of this title.

**Subchapter Q—Readjustment of Tax Between Years and Special Limitations**

- Part I. Income averaging.
- II. Mitigation of effect of limitations and other provisions.
- [III, IV. Repealed.]
- V. Claim of right.
- [VI. Repealed.]
- VII. Recoveries of foreign expropriation losses.

AMENDMENTS

1997—Pub. L. 105-34, title IX, §933(b), Aug. 5, 1997, 111 Stat. 882, added item for part I.